GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:277
ANSWERED ON:01.03.2002
BOUND RATE FOR RUBBER
A.C. JOSE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have received a proposal from the Government of Kerala to rectify the mistake committed in 1994 in prescribing the bound rate for processed dry forms of natural rubber at the lower rate of 25% by enhancing the same to 40% taking note of the gravity of crisis through which plantation sector in Kerala is passing through;

(b) if so, the present status of the proposal; and

(c) the other relief propose for the farmers of plantation sector in Kerala?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) & (b) : The Government of Kerala has proposed enhancement of bound rate of duty on rubber from 25% to 40%.In the ongoing negotiations on Agriculture, India has proposed that the product coverage of the Agreement on Agriculture requires rationalisation by including primary agricultural commodities such as rubber. It has also been proposed by India that developing countries should be allowed to rationalise low tariff bindings by raising them to the ceiling bindings for similar category of products committed during the Uruguay Round.

(c) : To ensure a remunerative price to the rubber growers for their produce, the Govt. of India, under the provisions of the Rubber Act, 1947, has fixed and notified the minimum price for trading in natural rubber. In addition, the import of natural rubber against advance licence has been banned.